

## D&CP – BUREAU OF ENERGY RESOURCES

### *Resource Summary*

(\$ in thousands)

Appropriations	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
American Positions	26	53	75	22
Funds	3,140	11,451	16,871	5,420

### *Program Description*

After completing formation of the new Bureau of Energy Resources (ENR) in September 2011, the Department of State is now uniquely positioned to develop, harmonize, and promote U.S. energy security overseas. Energy security is vital to U.S. national security, encompassing a complex range of economic, environmental, foreign policy, and development priorities that affect domestic and international policy. The recognition of the importance of energy policy to U.S. strategic interests was the foundation for the first Quadrennial Diplomacy and Development Review's (QDDR) recommendation to create ENR.

ENR will continue adding capacity to strengthen market incentives to transform the future of energy supplies, deepening the Department's human resource expertise on energy matters, and institutionalizing improved capabilities to engage more broadly and deeply on U.S. global energy priorities. Specifically, ENR will continue to work closely with the Bureau of Economic and Business Affairs (EB) and the Bureau of Oceans and Environmental and Scientific Affairs (OES) to leverage existing Departmental capacity in energy governance and transparency, export promotion, and development, to maximize engagement with leading energy producing and consuming countries. Other U.S. agencies and departments have valuable roles to play in managing energy programs that promote sound sector development and reforms (U.S. Agency for International Development), researching new technologies (Department of Energy), and leveraging private sector investment in the global energy sector (*e.g.*, the Overseas Private Investment Corporation (OPIC), the Export-Import Bank of the United States (EX-IM) and the United States Trade and Development Agency (USTDA)). ENR is well placed to leverage the Under Secretary of State for Economic Growth, Energy, and the Environment's Board and Alternate Board seats and influence with OPIC, EX-IM, USTDA and International Financial Institutions like the World Bank and Inter American Development Bank to harmonize U.S. votes with an Energy Security Strategy. ENR also leverages existing Department leadership positions in International Organizations. These include the Department's Governing Board seat in the International Energy Agency (IEA) and representation in the International Energy Forum. The Department also holds the U.S. Steering Committee position for the U.S. – Brazil Biofuels Memorandum of Understanding, and lead the Energy and Climate Partnership of the Americas and other regional dialogues, and lead programs in energy governance and shale gas.

ENR provides guidance to the U.S. interagency in: aligning energy sector assistance efforts to support and realize broader U.S. foreign policy objectives; developing a coordinated message for U.S. engagement on energy sector supply, demand, and sector management issues; promoting an environmentally responsible utilization of natural gas as a bridge to a clean energy future; and encouraging the development of new clean energy technologies and their deployment in a broad, sustainable way.

One of the key outcomes of ENR's implementation was to align the energy diplomacy strategy with an organizational structure that adds value to U.S. national efforts on energy security. The Deputy Assistant

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Secretary (DAS) for Energy Diplomacy coordinates diplomatic efforts to secure reliable and affordable supplies of oil, gas, and coal. The DAS for Energy Transformation leads a team to advance market and regulatory reforms globally that will create financial models for renewable energy and drive development and application in critical countries, from emerging markets like China and India to countries in transition like Iraq and Pakistan. The DAS for Governance and Development focuses on the governance arrangements to build transparent markets and confront energy poverty. A key focus is to stimulate commercial investments that can be viable and environmentally sustainable for the poor.

In pursuing ENR's current plan, the Bureau will test the viability of four regional hubs to project energy diplomacy around the globe. Hubs are planned for Istanbul, Singapore, Johannesburg, and Rio de Janeiro. Each hub will have a specialist on geopolitics, energy program implementation, and green technology. This field presence will intensify engagement with regional partners, increase the involvement of the Department's embassies in energy issues, and draw energy into the mainstream priorities of the regional bureaus.

### *Performance*

This indicator will help decrease energy poverty and potentially provide electricity to the 1.3 billion people who lack it.

Strategic Goal 5: Support American prosperity through economic diplomacy				
Active Performance Indicator	NEW INDICATOR: An increasing proportion of the 1.3 billion people currently without access to electricity again access.			
PRIOR YEAR RATINGS TREND				
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
N/A	N/A	N/A	N/A	New Indicator, No Rating
TARGETS AND RESULTS				
FY 2013 Target	Development in key U.S. Government priority countries expands as access to electricity increases. Engage APEC and ASEAN on phasing out fossil fuel subsidies while instituting targeted subsidies for the poorest. Work with the multilateral development banks and other international partners to adopt U.S. principles in promoting access to energy in developing economies. Access to power increases in Haiti, Iraq, Pakistan, and other priority countries.			
FY 2012 Target	Develop a G-20 diplomatic support strategy, including the U.S. role in phasing out fossil fuel subsidies in key countries while also introducing targeted subsidies for the poorest. Build resources and capacity to implement projects to merge entrepreneurship, technology and viable markets. Identify foreign aid strategies to make viable commercial investment strategies in Haiti and India. Develop a coordinated international strategy to help poor countries develop commercially viable models for energy access.			
FY 2011 Target	Encourage implementation of the G-20 commitment to phase out inefficient fossil fuels subsidies. Work with the interagency to evaluate the tradeoffs between economic development and climate change goals. Engage key countries (Pakistan, Iraq, Nigeria) on power sector reform issues.			
FY 2011 Rating and Result	Rating: Data Not Yet Available. No Rating			

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Impact	The performance of this indicator will help decrease energy poverty and potentially provide electricity to the 1.3 billion people who lack it.
<b>VERIFICATION AND VALIDATION</b>	
Methodology	Working with Departments of Energy, Commerce, The Interior, and Treasury. Coordination with International Energy Agency, World Bank, and other international organizations.
Data Source and Quality	No data yet as this is a new bureau established in September 2011. Expected report date FY 2013.

There is a lack of a cohesive, unified energy security strategy for the U.S. Government. This strategy will serve as a roadmap for global energy policies.

Strategic Goal 5: Support American prosperity through economic diplomacy				
Active Performance Indicator	NEW INDICATOR: Establishment and promulgation of an Energy Security Strategy.			
PRIOR YEAR RATINGS TREND				
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
N/A	N/A	N/A	N/A	New Indicator, No Rating
TARGETS AND RESULTS				
FY 2013 Target	Ensure the principles of the Energy Security Strategy are included in all energy and economics related training within the Department. Engage major international organizations and financial institutions to encourage the adoption of similar strategies and priorities globally.			
FY 2012 Target	Ensure the Energy Security Strategy is widely promulgated throughout the Department, both domestically and internationally. Work with regional bureaus and U.S. Missions to ensure the strategy is included in the allocation of resource planning in energy consuming and producing countries. Work to reconcile discrepancies in various regional priorities. Promulgate within the interagency.			
FY 2011 Target	Consult broadly within State to draft an Energy Security Strategy. Engage with various offices to ensure there is broad departmental consensus on strategic goals and means of implementation. Consult within the interagency to ensure there is a broad consensus on how to reconcile and coordinate various environmental, energy security, national security and development priorities.			
FY 2011 Rating and Result	Rating: New Indicator, No Rating N/A			
Impact	This indicator will greatly benefit the alignment of U.S. Government strategic goals and implementation on all energy security issues.			
VERIFICATION AND VALIDATION				
Methodology	Coordinated within the department and engage with interagency to obtain a consensus on energy security priorities.			
Data Source and Quality	No data yet as this is a new bureau established September 2011. Expected report date FY 2013.			

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There is a lack of a global common ground for best practices in the energy sector. Transparency will be the key principle to expand engagement and good governance.

Strategic Goal 5: Support American prosperity through economic diplomacy				
Active Performance Indicator	NEW INDICATOR: Transparency and governance principles are adopted by the international community.			
PRIOR YEAR RATINGS TREND				
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
N/A	N/A	N/A	N/A	New Indicator, No Rating
TARGETS AND RESULTS				
FY 2013 Target	In coordination with the G-20, promote the widespread adoption of the principles underlying the Energy Security Through Transparency Act (ESTT). Include Extractive Industries Transparency Initiative (EITI) in major energy dialogues with partner countries. Create a global common ground for investment practice in extractive industries. Expand work on conflict minerals and the promulgation of Voluntary Principles.			
FY 2012 Target	Gain G-20 support for the principles underlying the Energy Security Through Transparency (ESTT) Act. Expand cooperation on EITI, working to expand application of EITI among major resource rich nations. Engage China on advocating EITI principles in its investments and engagement in Africa, Asia, and Latin America.			
FY 2011 Target	Actively promote U.S. Government leadership in EITI and Voluntary Principles.			
FY 2011 Rating and Result	Rating: New Indicator, No Rating N/A			
Impact	It will enable the necessary guidelines for best business practices in the energy sector and expand cooperation in support of the G-20.			
VERIFICATION AND VALIDATION				
Methodology	Through the transparency initiative, working to expand application of EITI among major resource rich nations.			
Data Source and Quality	No data yet as this is a new bureau established in September 2011. Expected report date FY 2013.			

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This indicator provides a measure of the availability of non-oil energy sources on world markets.

Strategic Goal 5: Support American prosperity through economic diplomacy							
Active Performance Indicator		Percentage of world energy supplies from non-oil sources.					
Prior Year Results and Ratings				FY 2011		Planned Targets	
FY 2007	FY 2008	FY 2009	FY 2010	Target	Result and Rating	FY 2012	FY 2013
64.2%	64.7%	65.4% [Baseline]  New Indicator, No Rating	65.4%  ◀▶ On Target	65.4%	65.4%  ◀▶ On Target	65.8%	65.9%
Impact		This indicator demonstrates that oil prices, as well as concern about the environmental impacts of fossil fuel use and strong government incentives for increasing the use of renewables and non-oil sources in many countries around the world, improve the prospects for non-oil sources worldwide.					
Methodology		Data source and methodology: U.S. Department of Energy, Energy Information Administration, World Energy Projections Plus, May 2009 ( <a href="http://www.eia.doe.gov/oiaf/ieo/world.html">http://www.eia.doe.gov/oiaf/ieo/world.html</a> )					
Data Source and Quality		US Department of Energy - Energy Information Administration projections. The Data Quality Assessment revealed no significant data limitations.					

### *Justification of Request*

The Department's FY 2013 request of \$16.9 million maintains current services and the support of key initiatives. The request also reflects a net increase of \$5.4 million to support 22 new positions, as well as a decrease of \$24,000 in efficiency savings from reductions in advisory contracts, travel of people and things, printing, and supplies.

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## *Resource Summary*

	Positions					Funds (\$ in thousands)		
	American				Pos	Bureau	American	Funds
	CS	FS Dom	Overseas	FSN	Total	Managed	Salaries	Total
FY 2011 Actual	14	12	0	0	26	0	3,140	3,140
FY 2012 Estimate	31	22	0	0	53	4,331	7,120	11,451
FY 2013 Built-in Changes								
Administrative Savings	0	0	0	0	0	(24)	0	(24)
American COLA	0	0	0	0	0	1	20	21
Domestic Inflation	0	0	0	0	0	12	0	12
Total Built-in Changes	0	0	0	0	0	(11)	20	9
FY 2013 Current Services	31	22	0	0	53	4,320	7,140	11,460
FY 2013 Program Changes								
New Positions	10	10	2	0	22	2,566	2,845	5,411
Total Program Changes	10	10	2	0	22	2,566	2,845	5,411
FY 2013 Request	41	32	2	0	75	6,886	9,985	16,871

## *Staff by Program Activity* (positions)

Bureau of Energy Resources	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
Conduct of Diplomatic Relations	26	53	75	22
<b>Total</b>	<b>26</b>	<b>53</b>	<b>75</b>	<b>22</b>

## *Funds by Program Activity* (\$ in thousands)

Bureau of Energy Resources	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
Conduct of Diplomatic Relations	3,140	11,451	16,871	5,420
<b>Total</b>	<b>3,140</b>	<b>11,451</b>	<b>16,871</b>	<b>5,420</b>

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### *Program Activities*

Department Of State	Positions			Funds (\$ in thousands)			
	American		FSN	Pos	Bureau	American	Funds
	Domestic	Overseas		Total	Managed	Salaries	Total
Conduct of Diplomatic Relations	73	2	0	75	6,886	9,985	16,871
<b>Total</b>	<b>73</b>	<b>2</b>	<b>0</b>	<b>75</b>	<b>6,886</b>	<b>9,985</b>	<b>16,871</b>

### *Staff by Domestic Organization Unit* (positions)

Bureau of Energy Resources	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
Deputy Assistant Secretary for Energy Diplomacy	10	16	16	0
Deputy Assistant Secretary for Energy Governance and Access	8	16	16	0
Deputy Assistant Secretary for Energy Transformation	3	15	15	0
Office of the Assistant Secretary	5	6	28	22
<b>Total</b>	<b>26</b>	<b>53</b>	<b>75</b>	<b>22</b>

### *Funds by Domestic Organization Unit* (\$ in thousands)

Bureau of Energy Resources	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
Deputy Assistant Secretary for Energy Diplomacy	1,229	3,051	3,691	640
Deputy Assistant Secretary for Energy Governance and Access	1,040	2,680	3,034	354
Deputy Assistant Secretary for Energy Transformation	480	3,400	3,990	590
Office of the Assistant Secretary	391	2,320	6,156	3,836
<b>Total</b>	<b>3,140</b>	<b>11,451</b>	<b>16,871</b>	<b>5,420</b>

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### *Funds by Object Class*

(\$ in thousands)

Bureau of Energy Resources	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Increase / Decrease
1100 Personnel Compensation	985	2,360	3,333	973
1200 Personnel Benefits	702	1,640	2,309	669
2100 Travel & Trans of Persons	1,000	6,227	9,476	3,249
2200 Transportation of Things	30	90	130	40
2300 Rents, Comm & Utilities	50	144	207	63
2400 Printing & Reproduction	20	51	73	22
2500 Other Services	353	926	1,322	396
2600 Supplies and Materials	0	13	21	8
<b>Total</b>	<b>3,140</b>	<b>11,451</b>	<b>16,871</b>	<b>5,420</b>